



**STATEMENT OF SAM MALHOTRA  
SECRETARY  
DEPARTMENT OF HUMAN RESOURCES  
BEFORE THE  
HOUSE APPROPRIATIONS COMMITTEE  
HEALTH AND HUMAN RESOURCES SUBCOMMITTEE  
FY 2017 BUDGET**

**THURSDAY, FEBRUARY 18, 2016**



**STATEMENT OF SAM MALHOTRA**  
**SECRETARY**  
**DEPARTMENT OF HUMAN RESOURCES**  
**BEFORE THE**  
**SENATE BUDGET AND TAXATION COMMITTEE**  
**HEALTH AND HUMAN SERVICES SUBCOMMITTEE**  
**FY 2017 BUDGET**

**MONDAY, FEBRUARY 22, 2016**

Good afternoon, Chairman Reznik and members of the Committee. With me today is Deputy Secretary of Programs Tracey Paliath, Executive Director of the Social Services Administration, Kary James and our Chief Financial Officer, Stafford Chipungu.

The Social Services Administration (SSA) is responsible for overseeing services to vulnerable adults and children. This includes Maryland's child welfare programs which include child protective services, foster care and adoptions. The overriding goals of this critical work are to: prevent child abuse and neglect; quickly address reports of child abuse and neglect; protect vulnerable children and; support family stability. We also provide services to vulnerable adults including the elderly and individuals with disabilities, to support their ability to live safely and independently in the community, and prevent more restrictive and costly institutional placements.

The fiscal year 2017 Allowance for SSA totals \$573 million in total funds a 2 percent decrease from the 2016 Appropriation of \$587 million, substantially due to the continued decrease in caseloads.

*Place Matters –Achieving Positive Results for Children*

DHR remains committed to achieving positive outcomes for children and families by providing services that keep children safely at home and assist families in meeting their needs. Since 2007, over 21,000 children have been adopted, moved to guardianship or safely returned home. These outcomes are largely a result of the Department's Place Matters initiative and the hard work of the staff in the 24 Local Departments of Social Services. Because of the success of Place Matters, Maryland now has the fewest number of youth in care in over 27 years. The number of children in care declined by 53 percent from approximately 10,330 in June 2007 to 4,837 in June 2015, and we project that over the next twelve months, the number of Maryland children in care will decline by another 300 children.

In FY 2015, over 1,800 children achieved permanency. More specifically, 297 children were adopted, 512 went to a permanent guardianship home and 1,061 were reunified with their

families in the last year. Since we began our Place Matters initiative, 21,581 children have achieved permanency- 4,145 adoptions, 4,850 guardianships and 12,586 reunifications.

We have been able to reduce the number of children in foster care while maintaining safety as a priority. Throughout the years of Place Matters implementation, the absence of recurrence of maltreatment has held steady, averaging 93.5% and the absence of maltreatment while in foster care has also held steady over the years, averaging 99.54%.

### Alternative Response (AR)

The Department completed full Statewide implementation of Alternative Response when the Baltimore City Department of Social Services went live with the program on July 1, 2014. The process started in July 2013 and phased in implementation across the State during that fiscal year.

AR adds a second or alternative path to our Department's response to allegations of child abuse and neglect. We are using AR for certain low-risk reports of abuse and neglect. Instead of treating every case exactly the same with an "investigative response" (IR) ending in a formal finding of abuse or neglect, cases with an "alternative response" consist of a family assessment, service plan and in the provision of information and linkages to community services to address the needs of the family and children.

In October 2015, the Department submitted Alternative Response in Maryland, Program Evaluation, Final Report (September 2015) to the legislature. This report was required by the original alternative response legislation and the evaluation was conducted by IAR Associates from St. Louis Missouri. The report summarized the implementation process and concluded with recommendations for program improvement. The evaluation finding identified differences between local departments where separate units were created to respond to cases assigned for an Alternative Response versus those where staff handled a mixed caseload of Alternative Response and Investigative Response cases. Those local departments with specialized units had a lower recidivism (re-reported allegations) rate for Alternative Response cases versus those with a

mixed caseload. Workers reported families were more engaged in case planning and decision-making, received more information about community services, received more services and engaged in them more quickly when workers had specialized Alternative Response caseloads. The Department is exploring which jurisdictions could benefit from creating specialized units. Other recommendations from the final Evaluation report were to expand worker knowledge of resources in their respective jurisdiction. The Department is considering ways to assist local staff with identifying resources beyond the traditional provider network and advanced training for staff handling AR cases has been created. At present our local departments are assigning 46% accepted for a Child Protective Services response to the Alternative Response track.

### Ready By 21

DHR is committed to actively supporting youth with the services necessary to transition successfully to adulthood by ensuring they have a job or educational opportunities, stable housing, access to health care, financial stability, and a mentor. In SFY 2013, DHR began to measure key indicators for youth who are aging out of Foster Care. A survey was developed to assist in tracking each youth's readiness for independence and improve future services for youth. Results for SFY 2015 show:

- 85% have a stable place to live upon exiting foster care
- 87% have a State ID
- 70% have a high school diploma or GED
- 80% have employment or enrolled in college
- 86% have permanent connections.

### IV-E Waiver Implementation

Title IV-E is the largest federal funding source for child welfare, and traditionally was primarily only able to be used for children in out-of-home care; meaning, the State could only utilize these federal Title IV-E funds for children after they were removed from their homes. In October 2014, Maryland was approved for a Title IV-E Waiver, which allows Title IV-E funding to be used for prevention services - to help children and families avoid the trauma of out-of-home placement. The Waiver is approved and overseen by the U.S. Department of Health and Human

Services (HHS), Administration for Children and Families (ACF), and there are approximately 30 states with Waivers in the country today. The Waiver expires at the end of the September 2019.

With this Waiver, titled *Families Blossom* in Maryland, we will work to reduce first time entries and reentries into out-of-home care. Our strategies for doing this are to: implement Evidence-Based Practices and a Trauma-Informed System of Care. Evidence-Based Practices are therapeutic treatments designed to address maltreatment risk and other issues, and have been proven through independent research to be effective. Trauma-informed care is a training, practice, and policy approach which utilizes current findings from neurology and other fields to understand and treat the effects of trauma for both children and adults. Trauma-informed care also has strong evidence in research as an effective and needed approach.

Maryland's Waiver was implemented on July 1, 2015, with the implementation of a trauma-informed assessment, the Child and Adolescent Needs and Strengths for Families, known as the CANS-F. This step gives front-line workers a better way to assess families and plan services, as well as provide the State with more accurate data. In addition, a Trauma Strategic Plan was developed, and will be implemented in the coming year. For Evidence Based-Practices, Local Departments of Social Services worked with SSA to identify appropriate practices, eight (8) of which were selected for implementation in SFY 2016. These include:

- Parenting programs;
- Mental health services;
- Parental substance abuse services coupled with job training and housing and;
- In-home practice models.

In SFY 2017, these services will be expanded to additional jurisdictions. In the first full year of implementation, it is expected that over 5,000 families will be served with evidence-based practices.

*Adult Services Will Continue to Implement Improvements to Services*

SSA also supervises adult social services for vulnerable adults and individuals with disabilities. Our goals are to keep the adults we serve safe from abuse, including neglect, self-neglect and financial exploitation and to help them live as independently as possible in the community, outside of institutional settings.

In order to meet the demand for services by a growing vulnerable adult population, DHR's Office of Adult Services developed an "Adult Services Policy and Practice Initiative" to establish a Statewide adult services practice model that will better position us to effectively provide services to more of the vulnerable adults coming to our doors. Implementation and training in the practice model has taken place in all 24 local departments of social services across the State. This Initiative:

- Targets service delivery to those most in need; and focuses on client achievement of specific goals;
- Strengthens agency and client engagement with family, community resources, and other natural supports, so that client safety and well-being is a shared community responsibility;
- Promotes alternatives to indefinite, long-term Adult Services intervention in the life of the client;
- Addresses systemic need to support Adult Services staff dealing with burn-out and secondary traumatic stress

This concludes my testimony. Thank you again for the opportunity to testify and we would of course be happy to answer any questions you may have.

**Department of Human Resources**  
**FY 2017 Budget Highlights**  
**Social Services Administration**  
**NB00.04**

	<u>FY 2016</u>	<u>FY 2017</u>	<u>Changes</u>
	<u>Appropriation</u>	<u>Allowance</u>	<u>Changes</u>
<b>I. FUNDING<sup>a</sup></b>			
General Funds	8,125,910	9,563,116	1,437,206
Special Funds	-	-	-
Federal Funds	17,724,359	16,176,292	(1,548,067)
Reim. Funds	-	-	-
Total	<u>25,850,269</u>	<u>25,739,408</u>	<u>(110,861)</u>
<b>II. PERSONNEL<sup>a</sup></b>			
Regular Positions:	120.00	120.00	0.00
Contractual Positions:	2.00	2.00	0.00
<b>III. MAJOR CHANGES (In Thousands)</b>			
<b>01 <u>Salaries, Wages and Fringe Benefits</u></b>			(278)
Decrease in Salaries due to Workers' Compensation, (\$315K); Turnover Expectancy, (\$227K); Salary Adjustment, (\$174K); Fringe Benefits, (\$17K); Offset by Increase in Retirement, \$207K; Health Insurance, \$185K; Accrued Leave Payment, \$41K; and Salaries, \$22K.			
<b>03 <u>Communications</u></b>			(5)
Decrease in Communications mainly due to Department of General Services (DGS) - Office of Telecommunications, (\$4K); and Regular Telephone Services, (\$1K).			
<b>04 <u>Travel</u></b>			(2)
Decrease in Travel due to Out-Of-State/Routine Operations, (\$1K); and In-State/Routine Operations, (\$1K).			
<b>08 <u>Contractual Services</u></b>			104
Increase in Contractual Services due to Title IV-E Waiver Demonstration Project, \$65K; Implementation of Heroin and Opioid - Use Screening Tool, \$50K; Child Welfare Training Academy, \$23K; Call Center Services, \$1K; Freight & Delivery, \$1K; Offset by Decrease in Administrative Hearings, (\$36K).			
<b>12 <u>Grants, Subsidies and Contributions</u></b>			68
Increase in Grants due to Federal Independent Living funds, \$68K.			
<b>13 <u>Fixed Charges</u></b>			2
Increase in Fixed Charges due to Insurance Coverage for Non-Motor Vehicle, \$2K.			
<b>Total</b>			<u>(111)</u>

<sup>a</sup> Reference Source: FY 2017 Maryland State Budget Book - Part II: Pages 17-18

**Department of Human Resources  
 FY 2017 Budget Highlights  
 Foster Care Maintenance Payments  
 NG00.01**

	<b><u>FY 2016 Appropriation</u></b>	<b><u>FY 2017 Allowance</u></b>	<b><u>Changes</u></b>
<b>I. FUNDING <sup>a</sup></b>			
General Funds	191,643,809	177,800,005	(13,843,804)
Special Funds	4,835,798	2,233,985	(2,601,813)
Federal Funds	98,660,940	82,286,160	(16,374,780)
Reim. Funds	0	0	0
Total	<u>295,140,547</u>	<u>262,320,150</u>	<u>(32,820,397)</u>

**II. PERSONNEL <sup>a</sup>**

Regular Positions:	N/A	N/A	N/A
Contractual Positions:	N/A	N/A	N/A

**III. MAJOR CHANGES (In Thousands)**

Decrease due to declining caseload from 13,572 to 13,395 due to Place Matters.	(32,820,397)
<b>Total</b>	<u><u>(32,820,397)</u></u>

<sup>a</sup> Reference Source: FY 2017 Maryland State Budget Book - Part II: Page 28

**Department of Human Resources  
FY 2017 Budget Highlights  
Local Child Welfare Services (CWS)  
NG00.03**

	<u>FY 2016 Appropriation</u>	<u>FY 2017 Allowance</u>	<u>Changes</u>
<b>I. FUNDING</b>			
General Funds	165,662,748	169,435,768	3,773,020
Special Funds	1,477,673	1,491,121	13,448
Federal Funds	52,235,381	66,145,200	13,909,819
Reim. Funds	-	-	-
Total	219,375,802	237,072,089	17,696,287
<b>II. PERSONNEL</b>			
Regular Positions:	2,180.36	2,179.36	(1.00)
Contractual Positions:	0.50	0.50	0.00
<b>III. MAJOR CHANGES (In Thousands)</b>			
<b>01 Salaries</b>			9,535
Increase in Salaries due to Fringe Benefits, \$3,282K; Employees' Retirement, \$2,705K; Regular Salary Earnings, \$2,473K; Overtime Earnings, \$1,686K; Health Insurance, \$876; Turnover Expectancy, \$851K; Accrued Leave Payments, \$51K; Offset by Decrease in Salary Adjustments, (\$2,347K), Abolishment of 1 FTE Position in Anne Arundel, (\$42K).			
<b>02 Technical &amp; Special Fees</b>			(44)
Decrease in Technical & Special Fees due to Interpreter's Fees in various jurisdictions, (\$25K); and Other Technical/Special Fees mainly in Baltimore County and Baltimore City, (\$19K).			
<b>03 Communications</b>			(153)
Decrease in Communications due to Telephone/Telegraph, (\$97K); Postage, (\$60K); DGS-Office of Telecommunications, (\$10K); D/P Telecommunications, (\$1K); and Paycheck Distribution, (\$1K); Offset by Increase in Cell Phones, \$16K.			
<b>04 Travel</b>			99
Increase in Travel due to In-State/Routine Operations mainly in Wicomico County and Baltimore City, \$99K.			
<b>06 Utilities</b>			81
Increase in Utilities due to Electricity Usage mostly in Baltimore County and Baltimore City, \$81K.			
<b>07 Vehicles</b>			(189)
Decrease in Vehicles due to Gas and Oil, (\$163K); Motor Vehicle Replacement, (\$19K); Maintenance and Repairs, (\$11K); Vehicle Mileage Reimbursement, (\$1K); Offset by Increase in Insurance/Title Fees, \$3K; and Other Motor Vehicle Charges, \$2K.			
<b>08 Contractual Services</b>			7,936
Increase in Contractual Services due to Title IV-E Waiver, \$8,030K; Attorney Fees, \$19K; Medical Exams, \$2K; Offset by Decrease in Purchase of Services-Client, (\$36K); Service Contracts for Building/Grounds, (\$34K); Repairs/Maintenance-Building/Grounds, (\$12K); Rental-Copy Machines, (\$12K); Printing/Reproduction, (\$10K); Advertising Legal, (\$4K); Court Costs/Filing Fees; (\$3K); Birth Certificates; (\$3K); and Court Costs, (\$1K).			
<b>09 Supplies</b>			119
Increase in Supplies due to Office Supplies, \$99K; and Data Processing Supplies, \$29K; Offset by Decrease in Housekeeping, (\$5K); and Other Supplies and Materials, (\$4K).			
<b>12 Grants, Subsidies and Contributions</b>			(301)
Decrease in Grants due to Montgomery County Department of Health and Human Services Grant, (\$287K); Background Checks, (\$13K); and Medical Assistance Reimbursement for Foster Parents, (\$1K).			
<b>13 Fixed Charges</b>			613
Increase in Fixed Charges due to Rent Non-Department of General Services, \$506K; Lease Escalation Clause, \$102K; Rental-Multi Service Centers, \$12K; and Other Fixed Charges, \$2K; Offset by Decrease in Rent paid to Department of General Services, (\$9K).			
<b>Total</b>			<b>17,696</b>

<sup>a</sup> Reference Source: FY 2017 Maryland State Budget Book - Part II: Pages: 31-32

**Department of Human Resources**  
**FY 2017 Budget Highlights**  
**Local Adult Services**  
**NG00.04**

	<u>FY 2016</u> <u>Appropriation</u>	<u>FY 2017</u> <u>Allowance</u>	<u>Changes</u>
<b>I. FUNDING<sup>a</sup></b>			
General Funds	9,058,097	9,514,873	456,776
Special Funds	1,733,614	1,596,443	(137,171)
Federal Funds	35,569,261	36,404,419	835,158
Ream. Funds	-	-	-
<b>Total</b>	46,360,972	47,515,735	1,154,763
<b>II. PERSONNEL<sup>a</sup></b>			
Regular Positions:	438.50	438.50	0.00
Contractual Positions:	0.00	0.00	0.00
<b>III. MAJOR CHANGES (In Thousands)</b>			
<b>01 Salaries</b>			1,446
Increase in Salaries due to Health Insurance, \$770K; Employee's Retirement, \$650K; Turnover Expectancy, \$353K; Accrued Leave Payments, \$178K; and Regular Earnings, \$37K; Offset by Decrease in Salary Adjustments, (\$513K); and Fringe Benefits, (\$29K).			
<b>02 Technical &amp; Special Fees</b>			18
Increase in Technical and Special Fees for Interpreter Fees in Frederick County and Prince George's County, \$14K; Other Technical and Special Fees for Services to Adults Gateway, \$4K.			
<b>03 Communications</b>			27
Increase in Communications due to Cell Phone Expenditures mainly in Baltimore City and Prince George's County, \$52K; Offset by Decrease in Telephone/Telegraph, (\$19K), Postage, (\$3K); and Department of General Services Office of Telecommunications, (\$3K).			
<b>04 Travel</b>			(6)
Decrease in Travel due to In-State/Routine Operations, (\$7K); Offset by Increase in Out-of-State/Conferences/Seminars, \$1K.			
<b>06 Utilities</b>			(14)
Decrease in Utilities due to Electricity Usage for Prince George's County, (\$24K); Offset by Increase in Electricity Usage for Baltimore County, \$10K.			
<b>08 Contractual Services</b>			(69)
Decrease in Contractual Services for Purchase of Service-Client Services for Prince George's County Local Only-Adult Services, and In-Home Aide Services, (\$53K); Senior Care Medical Equip Supplies for Dorchester County, (\$17K); Senior Day Adult Day Care, (\$7K); Senior Care Personal Care, (\$6K); Equip Rental, (\$3K); and Senior Care, (\$1K); Offset by Increase in Other Contractual Services, \$9K; Senior Care Emergency Response System, \$5K; Rental-Copy Machines, \$3K; and Senior Care Respite Care, \$1K.			
<b>09 Supplies</b>			3
Increase in Supplies due to Offices Supplies, \$31K; Offset by Decrease in Data Processing Supplies, (\$15K); Promotional Expenses, (\$7K); Other Supplies and Materials, (\$5K); and Housekeeping, (\$1K).			
<b>12 Grants, Subsidies &amp; Contributions</b>			(115)
Decrease in Grants due to Montgomery County Department of Health and Human Services, (\$83K); Grants for Prince George's County Local Only-Adults Services, (\$15K); Grants for Subsidized Rent for Prince George's County Local Only-Adult Services, (\$9K); Taxable-Grants, Contributions & Subsidies for Housing Opportunities for Persons with AIDS in (HOPWA) in Dorchester County, (\$7K); and Background Checks, (\$1K).			
<b>13 Fixed Charges</b>			(135)
Decrease in Fixed Charges due to Department of General Services, (DGS) Rent for Allegany, Baltimore, Dorchester, Howard, Kent, Prince George's, Washington Counties and Baltimore City, (\$137K); Offset by Increase in Rental-Multi Service Centers, \$2K.			
<b>Total</b>			1,155

<sup>a</sup> Reference Source: FY 2017 Maryland State Budget Book - Part II: Page: 33

**Department of Human Resources  
Social Services Administration  
N00B**

**Response to Issues**

***DHR should comment on its plans to improve performance in these areas to increase safety for children both in and out of foster care.***

**Response to Issue**

Over the years, the State has, as noted in previous years, through the Place Matters Initiative, made great strides in reducing its foster care population by over 50%, and by increasing the proportion of children who exit foster care to permanency (reunification, adoption, guardianship), from 66% in FY 2008 to 77% through FY 2015. Maryland has accomplished these tremendous results for children while not increasing harm to children, as the overall recurrence of maltreatment (using the traditional version of this statistic) held steady at an average of 7% throughout the years of changing Maryland for the better.

The Department has recently completed its first full year (FY 2015) implementing Alternative Response and it has also adopted the new methodology used for constructing the key safety indicators (recurrence of maltreatment and maltreatment while in foster care) in response to the federal improvements to these measures for Round 3 of the Child and Family Services Review. The Department of Human Resources (DHR) has little experience so far with these changes and the impact it has on the new safety measures. The recently released final evaluation report on Alternative Response (AR) presents positive feedback on the safety of children.

In relation to recurrence of maltreatment, the “new” measure is similar to the old except that it uses initial indicated and unsubstantiated investigations during a 12 month “base” period and then looks for recurrence within a 12 month observation period. The “old” measure was constructed in the same way for a 6 month base period and a 6 month observation period. Consequently, for the FY 2015 statistic, the base period occurred while AR was being phased in across Maryland (FY 2014), while the observation period extends through FY 2015 during which Maryland completed AR implementation when Baltimore City started in July 2014. The timing of the new measure and the implementation of AR therefore created a one-time set of circumstances that will never be repeated, and next year’s update of the new recurrence measure will occur completely within the context of the complete operation of Alternative Response in Maryland.

It should be noted in relation to the old recurrence measure (6 month base period, 6 month observation period), which does occur within the context of full AR implementation, that Maryland had achieved a successful outcome: 5.3%. This meets the federal standard for that old measure (5.4% , in which a lower recurrence of maltreatment is better), and provides DHR with a positive expectation about meeting the federal standard of the new measure that uses a 12 month base period and a 12 month observation period in the coming years.

The new maltreatment in foster care methodology (events of indicated and unsubstantiated investigations divided by the number of days in foster care) is quite different from the old measure, and so a comparison among these measures is not particularly meaningful. For both the old measure and this new measure, however, Maryland has fallen short by small margins in meeting the federal standards for minimizing maltreatment while in foster care.

The Department's plan is to continue to gain experience with the new safety measures and to review jurisdiction-level results with local departments of social services so that:

- Jurisdictions understand how the new measures work, and understand the implications of using the new measures;
- Jurisdictions can examine details associated with their experience relating to these new measures; and,
- Jurisdictions can pinpoint areas where the families served, and foster care providers who care for foster children, fall short in minimizing maltreatment, and develop plans of action to make improvements.

In addition:

- The Office of Licensing and Monitoring continues to take steps to interview private agency staff members to assure that Child Protective Services clearances and criminal background checks are completed prior to their start dates; and,
- The Department continues to implement a performance reporting system that focuses on maltreatment while in foster care. Private agencies that fall short of meeting performance standards when maltreatment occurs in a private foster home or group home are put on a corrective action plan.

DHR will also be monitoring these safety indicators and advocating improvements in assuring the safety of the children it serves both in and out of foster care through its Quality Assurance process which has been improved based on federal feedback and guidance.

***The Department of Legislative Services (DLS) recommends committee narrative requesting DHR and DBM present actual fiscal 2016 caseloads by placement type and current forecasted caseloads by placement type for fiscal 2017 and 2018 that will be used in budget development.***

### **Response to Issue**

The Department concurs with the Analyst's recommendation.

***DHR should comment on how it estimated the Title IV-E funds that would be available in fiscal 2016 and 2017 and how the department would cover any shortfall that arose from a lower amount of available federal funds.***

**Response to Issue**

Starting in FY 2016, there are two types of Title IV-E funds, 1) Regular Title IV-E eligible and 2) Capped Title IV-E Waiver, which is used only in foster care. In FY 2015, the Department attained \$70.9 million in Regular Title IV-E and in FY 2016 we expect to attain a similar level.

We do not anticipate any shortfall in FY 2016. In FY 2017, we agree with the Analyst that there could be a shortfall in federal funds. The Department's plan entails the following:

- Utilize anticipated savings from IV-E Waiver implementation;
- Use anticipated caseload reduction savings from foster care and adoption payment;
- Use TANF which is allowable for Child Welfare Services; and,
- The Department will consider a deficiency appropriation.

***DHR should explain how the department plans to cover the federal fund shortfall in this program in fiscal 2016 and 2017.***

**Response to Issue**

In FY 2016, the Department does not expect a federal fund shortfall. In FY 2017, the Department concurs with the Analyst that there may be a shortfall in federal funds due to the overstated medical assistance funds. The Department's plan entails the following:

- Utilize anticipated savings from IV-E Waiver implementation;
- Use anticipated caseload reduction savings from foster care and adoption payment;
- Use TANF which is allowable for Child Welfare Services; and,
- The Department will consider a deficiency appropriation.

***DHR should explain how the new tool will differ from the existing tool and if the tool will supplement or replace the existing tool.***

**Response to Issue**

Local child welfare offices address the responsibility of screening for substance abuse in different ways. HB 7 from years ago placed substance abuse screeners in Baltimore City and Prince George's County Departments of Social Services. Many other jurisdictions have

screeners available through the Family Investment Administration (FIA) whereby child welfare staff can have their clients screened by the FIA screener. The remaining 5 or 6 jurisdictions use the screeners in their local health departments.

The screening tool used by local departments of social services is referred to as PADS (Preliminary Alcohol and Drug Sorting). This screening tool is used in local child welfare offices in relation to both in-home and out-of-home cases. If an alcohol or substance abuse issue is detected, including any use of heroin/opiates in the last 12 months, the client is referred for further testing and treatment. The use of PADS, it should be noted, is often triggered for use when the agency's needs and strengths assessments (CANS for foster children, and CANS-F for families) are administered as part of case planning and monitoring.

The Department is planning to continue using PADS because it covers the full range of alcohol and substance abuse issues. DHR will also conduct a review of the new Opioid/Heroin tool in order to make adjustments/improvements to PADS.

***DHR should comment on how it plans to track reinvested savings to ensure compliance with this requirement.***

#### **Response to Issue**

Reinvested savings under the Waiver will be tracked as provided in the Department's federally-approved Public Assistance Cost Allocation Plan. The Cost Allocation Plan was updated effective July 1, 2015 to add new cost centers for Waiver Implementation, Project Management, Evaluation, and Project Interventions. The Plan was also updated to add Waiver funding as an additional source to all Child Welfare cost centers allowable under Title IV-E and Title IV-B without regard to client eligibility. In addition to reinvested savings, the Department will continue to track and report on traditional Title IV-E expenditures.

***DHR should discuss whether it has implemented any of these recommendations and describe other steps the agency is taking to address the high reentry rate and the State's progress toward reducing the reentry rate in fiscal 2016.***

#### **Response to Issue**

It should be emphasized that progress is already being made in relation to the high rate of reentry after reunification. Maryland had experienced an average rate of 11% prior to FY 2011. The FY 2011 rate was 11.6% and increased to a high of 17.0% in FY 2014. The FY 2015 statistic (14.6%) is very encouraging but still remains high.

The Department has reviewed this report, shared it with local departments of social services, reviewed it at local regional supervisory meetings, and plans to take additional steps to address the high reentry rate. The final version of this report was issued in April 2015 and since then DHR has undertaken the following activities to reduce reentry into foster care after reunification:

- DHR presented the findings and recommendations of the report at its Spring Regional Meetings (June 2015). This is a forum that includes the child welfare supervisors from all local departments of social services. The supervisors developed and reported out on initial plans for implementing the report's recommendations at these regional meetings;
- DHR will assess local practice changes in response to this report, and will be formulating any Statewide policies based both on the recommendations of the report and local experience in responding to the recommendations of the report;
- DHR's IV-E Waiver is also addressing this report through the phased in implementation of evidence-based practices aimed at improving parenting skills, improving mental/behavioral health, providing substance abuse services/job training/housing and improving case management practice. These efforts anticipate making positive impacts on both reducing entries and reentries into foster care, as outlined in jurisdictional plans approved for the use of IV-E Waiver funds; and,
- DHR has policies mandating trial home visits for children returned to the care of their parents. At least 90 days prior to rescinding commitment and closing the foster care case, intensive services shall be provided to the family with the child in the home to ensure any identified needs have been addressed and that the child is safe and stable in the home. Policies SSA# 13-02 Case Planning/Concurrent Permanency Planning and SSA-CW# 16-03 Caseworker Visitation with Child, outlines the necessary procedures for providing case management for a child once returned to the parent's care. DHR has provided on-going trainings to local department supervisors. DHR will be providing technical assistance to the local departments identified in the report with the highest re-entry rates to ensure the practice of trial home visit is being utilized.

***DHR should comment on any plans to transfer vacant supervisor positions to ensure that all local departments can meet the CWLA guidelines.***

### **Response to Issue**

The Department assesses and as necessary transfers positions to jurisdictions that are not meeting the recommended staffing levels. The Social Services Administration (SSA) assesses each jurisdiction with a vacancy to determine if there is a need for either a caseworker or a supervisory position, and makes adjustments to improve the staffing levels to meet CWLA standards.

Maryland has been able to meet the demand for its Child Welfare Services while maintaining caseloads that are within the National Standards based on CWLA caseload standards.

The following data for 2014 and 2015 identify number of staff needed to safely and effectively manage the needs of children and families that are in need of our support:

- Positions filled identifies the number of staff Maryland has to meet child and family needs;

- Difference identifies the number of staff DHR maintains above CWLA standards

Year	Staff needed	Positions filled	Difference
2014	1453.1	1557.4	104.3
2015	1407.4	1509.8	102.4

- Maryland caseloads have decreased over the last several years; and,
- Data suggest in the coming years to hold steady for child welfare services.

The Department is pleased to report that social services staff positions have not experienced any further reductions.

**Department of Human Resources  
Social Services Administration  
N00B**

**Responses to Recommended Actions**

**Recommendation #1:**

Add budget language restricting general funds in N00G00.01 Foster Care Maintenance Payments to that purpose. **(Page 4 and 32)**

**Response:** Disagree

The Department respectfully disagrees with the Analyst's recommendation to add budget language restricting use of funds to the purposes appropriated. While the Department concurs with the spirit of the Analyst's recommendation to restrict the use of funds to the purposes appropriated, the Department needs the fiscal flexibility to transfer funds to reflect real time service delivery in times of surplus. The Department believes that limiting the funds use has a potential of adversely affecting services to the citizens of Maryland. The need for flexibility is even more critical in the current economic climate.

**Recommendation #2:**

Add committee narrative requesting caseload and expenditure forecasts. **(Page 4 and 32)**

**Response:** Concur

The Department concurs with the Analyst's recommendation.

**Recommendation #3:**

Add budget language restricting the N00G00.03 Child Welfare Services general fund appropriation to that purpose or for transfer only to the Foster Care Maintenance Payments program. **(Page 4 and 33)**

**Response:** Disagree

The Department respectfully disagrees with the Analyst's recommendation to add budget language restricting use of funds to the purposes appropriated or for transfer only to N00G00.01 Foster Care Maintenance Payments. While the Department concurs with the spirit of the Analyst's recommendation to restrict the use of funds to the purposes appropriated, the Department needs the fiscal flexibility to transfer funds to reflect real time service delivery. The Department believes that limiting the funds use has a potential of adversely affecting services to the citizens of Maryland. The need for flexibility is even more critical in the current economic climate.

**Recommendation #4:**

Adopt committee narrative requesting child welfare caseload data. (Page 4, 33 and 34)

**Response:** Concur with a requested date amendment

The Department concurs with the adoption of committee narrative requesting reports on child welfare caseload data to be submitted on November 15, 2016. The Department would like to request that the data used for the caseload use the average yearly number of cases and filled positions assigned, by jurisdiction, using 12 months service data available through August 2016.